

**IMPLEMENTATION OF PRIORITY ACTIONS**  
**Action Item 1: Oil Spill Prevention and Response**

**Prepared by:** Todd Hass

**Presented by:** Scott Redman

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**Proposed Action**

The Leadership Council considers and acts on a resolution (attached) to convey recommendations to improve oil spill prevention, preparedness and response programs in Washington State.

**Background**

The 2009 Legislature called on the Puget Sound Partnership to independently assess and make recommendations to improve the State's oil spill programs. The Leadership Council directed the Partnership to convene a broad-based group of stakeholders with expertise in oil spill issues to identify urgent issues and reach consensus on recommendations in advance of the 2011 legislative session.

A Cross-Partnership Oil Spill Work Group was convened in September and October 2010. The four recommendations developed by the Work Group (see attached interim report) were not controversial and were unanimously accepted by the Work Group. The first (primary) recommendation states that a funding fix for the Spills Programs should be found, but does NOT identify a preferred funding mechanism.

Several Work Group members expressed satisfaction with the success of the Work Group at highlighting priorities and building consensus. Many saw it as a unique forum for Washington's oil spill community, and supported the idea of making the group permanent and potentially maintained by the Partnership. However, several wanted to see how the recommendations would be used by the Leadership Council, Puget Sound Partnership and others before committing to such a forum in the long term.

**Action Agenda Consistency**

The Action Agenda recognizes the Partnership's responsibility to be "vigilant about preventing and responding to oil spills." Item C.1.2 in the Action Agenda calls for the Partnership to consider and integrate expert recommendations for oil spill prevention, preparedness and response into its pollution reduction planning.

**Stakeholder Input**

The ECB was briefed on the formation of the Cross-Partnership Oil Spill Work Group in September 2010. They suggested the addition of a few stakeholders to the group and advised the Work Group (and Leadership Council) to issue the recommendations well before the Legislative Session.

### **Consequences of Delay**

A delay of the resolution until the next Leadership Council meeting would likely postpone action beyond the start of the legislative session. Such a delay would compromise the quality, likelihood and timeliness of support for (or momentum toward) legislative action on issues related to the oil spill recommendations and erode confidence in the value of the Work Group's efforts and recommendations to the Partnership.

### **Attachments:**

- Resolution 2010-04
- Interim Report

**Resolution 2010-04**  
**Recommendations Regarding Oil Spill Prevention and Response**

**WHEREAS**, the Action Agenda recognizes the Partnership's responsibility to be ever-vigilant to prevent and respond to oil spills; and

**WHEREAS**, a major or catastrophic oil spill would fundamentally jeopardize the goal of cleaning up, restoring and protecting Puget Sound by the year 2020; and

**WHEREAS**, the Legislature has called for the Partnership to make recommendations to improve the State's oil spill programs; and

**WHEREAS**, Item C.1.2 in the Action Agenda calls for the Partnership to consider and integrate expert recommendations for oil spill prevention, preparedness and response; and

**WHEREAS**, the Cross-Partnership Oil Spill Work Group has built upon the work of previous task forces and advisory councils and adopted four recommendations by the consensus of attending members.

**NOW, THEREFORE BE IT RESOLVED**, the Leadership Council of the Puget Sound Partnership supports the recommendations of the Cross-Partnership Oil Spill Work Group and encourages the Governor and Legislature to take the necessary actions to implement the following recommendations:

- The Washington State Legislature provide adequate and stable funding to restore the Spills Programs at the Departments of Ecology and Fish and Wildlife to their 2007-2009 levels and cover these programs' projected shortfalls for 2011-2013 and future biennia.
- Direct the Department of Ecology and other entities responsible for developing and implementing oil spill contingency plans to enhance programs for oil spill response/readiness drills (i.e., practice exercises) and re-establish the presence of key state, local, tribal, and federal participants at drills.
- Direct the Department of Ecology's Spills Program to develop new requirements, which result in an organized and effective "vessels of opportunity program."

- The State ensure that the capacity of the spills community to appropriately respond to worst-case spills is fully realized, utilizing best available and emerging technology and appropriate training and procedures, regardless of location, time-of-day, or operating environment to safely, promptly, and properly respond to the maximum extent practicable.

Resolution Moved By: \_\_\_\_\_

Resolution Seconded By: \_\_\_\_\_

Approved/Denied/Deferred (underline one)

**DATE:** November 19, 2010

## **Cross-Partnership Oil Spill Work Group – 2010 Interim Report**

*The Puget Sound Partnership convened a Cross-Partnership Oil Spill Work Group during fall 2010 to fulfill its legislative responsibility to “provide independent advice and assessment of Washington State’s oil spill programs.” The broadly based stakeholder work group met for three full days during September and October. At the conclusion of the group’s third meeting on October 29, 2010, the group adopted four recommendations by consensus of the attending members. The recommendations were developed with the intention they be forwarded to the Puget Sound Partnership’s Leadership Council for consideration as potential legislative priorities.<sup>1</sup>*

*The following Interim Report encapsulates the general recommendations of the 2010 Cross-Partnership Oil Spill Work Group. In most cases, the exact wording of the Work Group’s recommendations has been slightly modified to be more clear or explicit (while retaining the Work Group’s original intent). This report also includes rationale paragraphs to provide additional background and context behind the recommendations.*

### **General Recommendation #1**

#### **Ensure the State Spill Program has Adequate and Stable Funding\***

\*The terms “adequate” and “stable” are defined to mean:

“Adequate” means the level of revenue necessary to allow the Legislature to appropriate (authorize expenditure of) sufficient money to the Departments of Ecology and Fish & Wildlife to fully and efficiently implement their statutory directives.

“Stable” means that the inter-annual variation in the level of revenue available to support legislative appropriations is small enough to allow the agencies to have predictable staffing levels and consistently apply regulatory requirements over time.

Specifically, the Work Group recommended that the Governor and Legislature pursue funding and legislative solutions that:

- Restore the Spills Programs at the Departments of Ecology and Fish and Wildlife to their 2007-2009 levels; and
- Cover the Programs’ projected shortfalls for this and future biennia.

#### **Rationale:**

The state spills programs had their appropriations reduced by \$1.15m (annually) following the 2007-2009 biennium. As a result of that reduction, Ecology lost 8 FTES and Fish and Wildlife lost 1 FTE. The programs now face an additional \$2.5 million revenue annual shortfall. Several factors have contributed to this ongoing shortfall including:

- Large barrel tax export credits that have been taken on oil shipped out of state by tank vessel and pipeline, or loaded as fuel onto commercial airplanes and ships.
- The tax exemption on oil imported by transmission pipeline, through which the state has seen a large increase in oil imported from Canada.
- The 2007 Legislature directed the Department of Ecology to establish an oil transfer pre-booming and inspection program. The Legislature appropriated a significant amount of money to support this important program, but the barrel tax did not provide adequate revenue to support the increased appropriation level.

## **General Recommendation #2**

**Ensure that sufficient and appropriate response equipment and trained personnel are positioned to safely, promptly and properly respond to potential worst-case spills to the maximum extent practicable. Response equipment and personnel must be well-matched to potential spill locations and operate efficiently regardless of time of day and operating environment. Such equipment should reflect best available and emerging technology. Procedures must be developed to deploy equipment to achieve state's goal of a "rapid, aggressive and well-coordinated response."**

### **Rationale:**

Although current law requires that contingency plans be designed to address a "worst case" spill and that adequate resources be available to respond to such a spill "promptly and properly," independent studies and lessons learned from the spill in the Gulf of Mexico have raised questions regarding our capacity to do so. As the Gulf Spill illustrates, it is not a question of whether such a spill will occur in Washington waters, but when it will occur. Failure to adequately prepare will jeopardize not only our fragile ecosystem, it will severely damage our aquaculture, fishing, and tourism-based industries and lead to thousands of lost jobs. We cannot afford to remain underprepared for such an event.

## **General Recommendation #3**

**The Department of Ecology should receive adequate funding from the Legislature to develop and maintain an effective and well-coordinated non-dedicated vessel of opportunity spill response program.**

- Ecology should work with the regulated industry, tribes, commercial fin fishers and shell fishers, spill response contractors, and the public in a collaborative process to define and manage a well-coordinated non-dedicated vessel of opportunity program. Program effectiveness should be confirmed through participation in oil spill preparedness drills.

- Industry oil spill contingency plan holders should be given appropriate response credit for the enhanced containment and recovery provided by vessels of opportunity for which they maintain viable contracts.

## **Rationale:**

A major or catastrophic oil spill in Washington State is likely to overwhelm local response assets. During major spills there is a very brief window of opportunity to contain and recover oil off the surface of the water. Our confined waters and strong tidal currents often reduce the optimal time for on-water cleanup operations to the first days or weeks. A coordinated non-dedicated vessel of opportunity management program and operational plans cannot be expected to be effective if they are developed *ad hoc* at the time of a spill. An effective program must be established and tested long before a spill occurs.

## **General Recommendation #4**

**The state oil spill contingency plan drill program should be enhanced and made more robust, including encouraging the presence of key participants at drills (including state, local, tribal, and federal representatives).**

The state drill program should pay particular attention to:

- Conducting large scale multi-party on-water equipment deployment drills
- Addressing gaps in the program
- Ensuring consistent response performance and maintaining a level playing field among plan holders
- Conducting some up-scaled drills to demonstrate ability to manage incidents beyond the first 48 hours
- Continuing to ensure program cost effectiveness

## **Rationale:**

As a result of the budget cutbacks and subsequent loss of several drill planning and evaluation staff in the 2007-2009 biennium, Ecology withdrew from participation in the design, execution and evaluation of worst case and annual tabletop drills. Ecology also reduced its emphasis on conducting unannounced vessel notification drills. Because large spills in Washington are infrequent, worst case, tabletop and other drills are recognized as the principal means to strengthen relationships, improve trust and practice coordination among industry, contractors, federal, state, tribal and local agencies, and local communities, and maximize the effectiveness of actual responses. While Ecology's reduced level of participation in large scale drills was envisioned as temporary, it appears likely that a prolonged absence will further jeopardize the quality and coordination of future responses and erode (rather than build on) progress made in drill planning and execution in Washington over the past decade.

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<sup>1</sup>**Members Present: October 29, 2010 – Cross-Partnership Oil Spill Work Group**

- Tribal Government
  - **Chad Bowechop**, Makah Tribe
- Counties
  - Commissioner **Mike Doherty**, Clallam County
  - Councilmember **Lovel Pratt**, San Juan County
- Public Ports – **Johan Hellman**, WSP
- Business sectors
  - Oil refining – **Dave Sawicki**, BP (alt. **Frank Holmes**, WSPA)
  - Oil shipping – **Jeff Shaw**, Polar Tankers
  - Cargo and other shipping – **Mike Moore**, PMSA
  - Commercial fishing – **Leslie Hughes**, NPFVOA
  - Shellfish growing – **Lisa Bishop**, Little Skookum Shellfish Growers
- Environmental organizations
  - **Bruce Wishart**, People For Puget Sound
  - **Jerry Joyce**, Seattle Audubon Society
- Recreational Boating – **Lee Roussel**, Citizens for a Healthy Bay
- Washington Department of Natural Resources – **Shane Cothorn**

**Ex Officio Members**

- Department of Ecology – **Dale Jensen**
- Department of Fish and Wildlife – **Dan Doty**
- Washington Utilities and Transportation Commission – **Joe Subsits**
- U.S. Coast Guard – **Scott Knutson**
- National Oceanic and Atmospheric Administration – **Ruth Yender**
- U.S. Department of the Interior – **Jeff Krausmann**